

Company Registration No. 03997854 (England and Wales)

VERDOSO HOLDINGS LIMITED

Financial statements

For the year ended 31 December 2020

Pages for filing with registrar

VERDOSO HOLDINGS LIMITED

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VERDOSO HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 €	2019 €
Non-current assets			
Investments	5	87,511,984	155,238,023
Current assets			
Trade and other receivables	6	450,334	4,284,280
Cash and cash equivalents		75,947,744	43,769,939
		76,398,078	48,054,219
Current liabilities	7	(321,706)	(316,633)
Net current assets		76,076,372	47,737,586
Total assets less current liabilities		163,588,356	202,975,609
Non-current liabilities	8	(110,844,967)	(118,350,595)
Net assets		52,743,389	84,625,014
Equity			
Called up share capital	9	53,145,252	53,145,252
Retained earnings		(401,863)	31,479,762
Total equity		52,743,389	84,625,014

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 23 December 2021 and are signed on its behalf by:

F Ullmann-Hamon
Director

Company Registration No. 03997854

VERDOSO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1 Accounting policies

Company information

Verdoso Holdings Limited is a private company limited by shares incorporated in England and Wales. The registered office is Connect House, 133-137 Alexandra Road, Wimbledon, London, SW19 7JY.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in Euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Listed investments held are initially measured at purchase cost and subsequently measured at fair value at year end. Any movement in fair value are included directly in the income statement.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.3 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

VERDOSO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

1 Accounting policies

(Continued)

1.4 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.5 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.6 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

VERDOSO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

1 Accounting policies (Continued)

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

The tax charge is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred taxation is provided under the liability method in respect of all material timing differences between profits as computed for taxation purposes and the profits as stated in the financial statements.

The company is subject to Swiss tax jurisdiction and is liable to pay tax in that country.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

1.9 Foreign exchange

Monetary assets and liabilities in foreign currencies are translated into Euros at the rates of exchange ruling at the balance sheet date. Non monetary balances are translated at the rate ruling when they are brought into the accounts and are then carried in local currency. Transactions in foreign currencies are translated into Euros at the rate of exchange at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimate as to the quantum of impairment on unlisted investments and loans has the most significant effect on amounts recognised in the financial statements

3 Auditor's remuneration

	2020	2019
Fees payable to the company's auditor and associates:	€	€
For audit services		
Audit of the financial statements of the company	25,294	25,670
	<u> </u>	<u> </u>

VERDOSO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	-	-

5 Fixed asset investments

	2020 €	2019 €
Investment includes the following:		
Investments in subsidiaries	13	13
Listed investments	47,555,613	121,608,362
Unlisted investments	30,826,713	25,586,659
Loans	8,129,645	7,042,989
Other investments	1,000,000	1,000,000
	<u>87,511,984</u>	<u>155,238,023</u>

Financial assets for which fair value cannot be measured reliably

The unlisted investments are stated at cost less impairment because their fair values cannot be reliably measured. The investments are private undertakings and as such there is no open market in which they could be readily bought or sold.

VERDOSO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

5 Fixed asset investments

(Continued)

	Movements in non-current investments		Shares in group undertakings		Loans to group undertakings		Listed investments	Other investments	Unlisted investments	Total
			€		€		€	€	€	€
Cost or valuation										
At 1 January 2020	13		10,061,412		121,608,362		2,400,000		28,908,730	162,978,517
Additions	-		1,465,734		86,571,227		-		6,998,785	95,035,746
Valuation changes	-		-		(1,582,352)		-		-	(1,582,352)
Foreign exchange differences	-		68,993		(8,733)		-		(1,446,343)	(1,386,083)
Reclassification	-		4,634,289		(25,119,155)		-		25,119,155	4,634,289
Disposals	-		-		(133,913,736)		-		(2,227,961)	(136,141,697)
At 31 December 2020	13		16,230,428		47,555,613		2,400,000		57,352,366	123,538,420
Impairment										
At 1 January 2020	-		3,018,423		-		1,400,000		3,322,071	7,740,494
Impairment losses	-		3,692,073		-		-		23,203,582	26,895,655
Reclassification	-		1,390,287		-		-		-	1,390,287
At 31 December 2020	-		8,100,783		-		1,400,000		26,525,653	36,026,436
Carrying amount										
At 31 December 2020	13		8,129,645		47,555,613		1,000,000		30,826,713	87,511,984
At 31 December 2019	13		7,042,989		121,608,362		1,000,000		25,586,659	155,238,023

Reclassifications were made in the period as investments which previously had an open market value became illiquid and as a result are no longer traded in an active market. Interest that was due on the loan to group undertaking has also been reclassified as non-current (alongside its associated impairment) as the balance is not expected to be repaid within 12 months of the balance sheet date.

VERDOSO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

6	Trade and other receivables	2020	2019
	Amounts falling due within one year:	€	€
	Trade receivables	-	17,957
	Amounts due from subsidiary undertakings	-	3,244,001
	Other receivables	26,266	25,000
	Prepayments and accrued income	424,068	997,322
		<u>450,334</u>	<u>4,284,280</u>
7	Current liabilities	2020	2019
		€	€
	Trade payables	82,790	96,067
	Foreign tax payable	159,440	109,074
	Accruals and deferred income	79,476	111,492
		<u>321,706</u>	<u>316,633</u>
8	Non-current liabilities	2020	2019
		€	€
	Amounts due to group undertakings	<u>110,844,967</u>	<u>118,350,595</u>
9	Called up share capital	2020	2019
		€	€
	Ordinary share capital		
	Issued and fully paid		
	33,756,782 Ordinary shares of €1.57 each	<u>53,145,252</u>	<u>53,145,252</u>

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Andrew Bithray and the auditor was WSM Advisors Limited.

VERDOSO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2020

11 Capital commitments

	2020	2019
	€	€
Amounts contracted for but not provided in the financial statements:		
Contracted for but not provided in the financial statements:		
Acquisition of fixed asset investments	12,124,361	10,820,944

12 Related party transactions

During the year a total of €22,000 (2019: €34,000) was paid to a director in respect of secretarial services provided of €18,000 (2019: €30,000) and reimbursing rental costs of €4,000 (2019: €4,000) incurred during the year.

13 Parent company

The Company is consolidated into the accounts of Verdoso Investments SA, which is both the parent entity and the ultimate controlling party. The parent is registered in Luxembourg at 26 rue Glesener, L 1630.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.